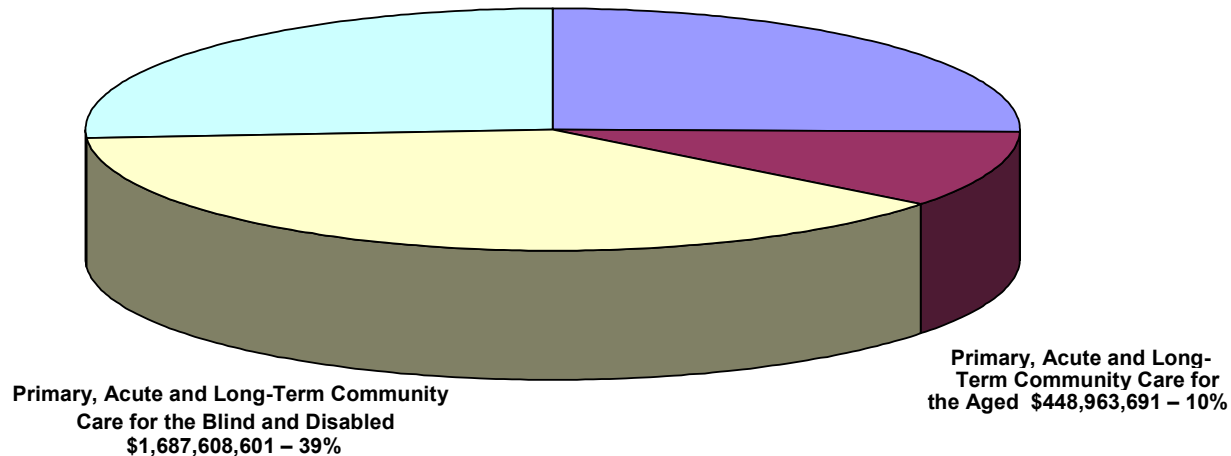


Medicaid Expenditures by Population – SFY 2004

Primary and Acute Care for Low-Income
Families and Other Recipients
\$1,146,505,227 – 26%

Nursing Homes and Centers
\$1,115,291,860 – 25%



■ Nursing Homes and Centers - \$1,115,291,860

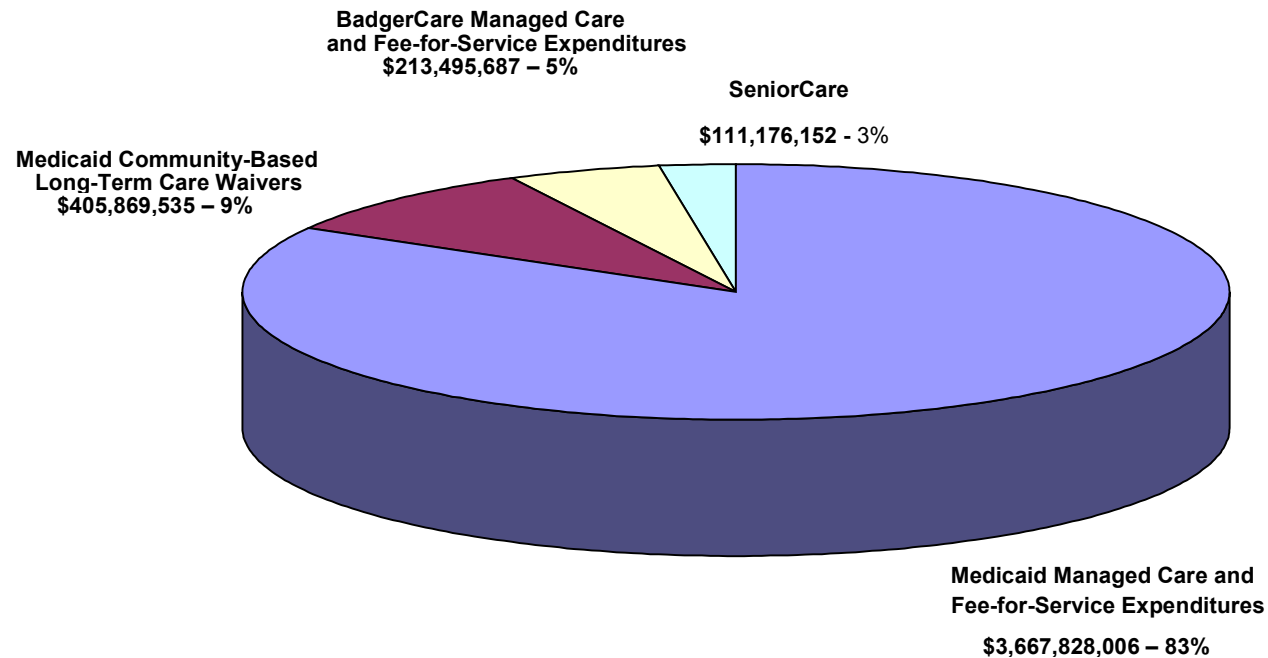
■ Primary, Acute and Long-Term Community Care for the Aged - \$448,963,691

■ Primary, Acute and Long-Term Community Care for the Blind and Disabled - \$1,687,608,601

■ Primary and Acute Care for Low-Income Families and Other Recipients - \$1,146,505,227



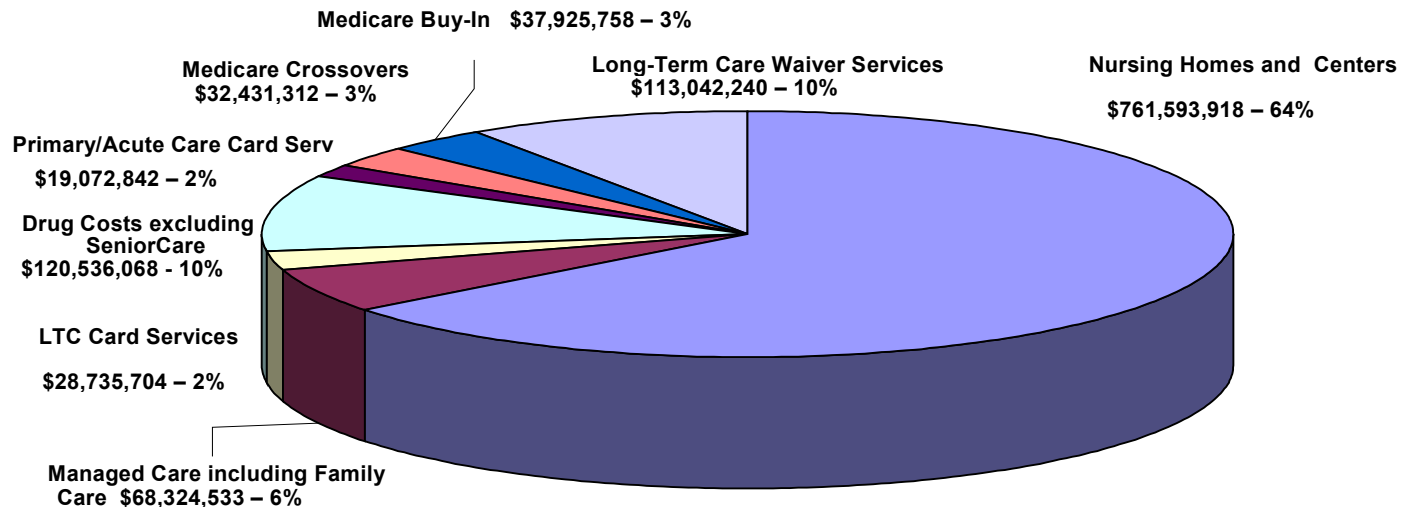
Medicaid Expenditures by Program – SFY 2004



- Medicaid Managed Care and Fee-for-Service Expenditures - \$3,667,828,006
- Medicaid Community-Based Long-Term Care Waivers - \$405,869,535
- BadgerCare Managed Care and Fee-for-Service Expenditures - \$213,495,687
- SeniorCare - \$111,176,152



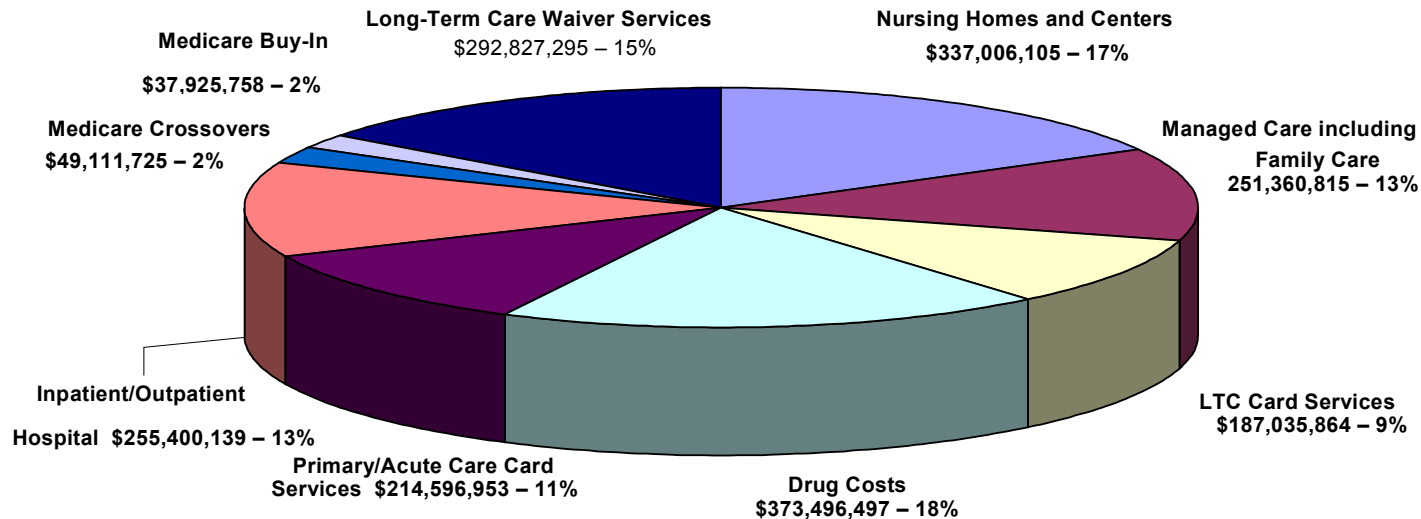
Primary, Acute and Long-Term Community Care for the Aged by Expenditure Type - SFY 2004



■ Nursing Homes and Centers - \$761,593,918	■ Managed Care including Family Care - \$68,324,533
■ LTC Card Services - \$28,735,704	■ Drug Costs excluding SeniorCare - \$120,536,068
■ Primary/Acute Care Card Services - \$19,072,842	■ Medicare Crossovers - \$32,431,312
■ Medicare Buy-In - \$37,925,758	■ Long-Term Care Waiver Services - \$113,042,240



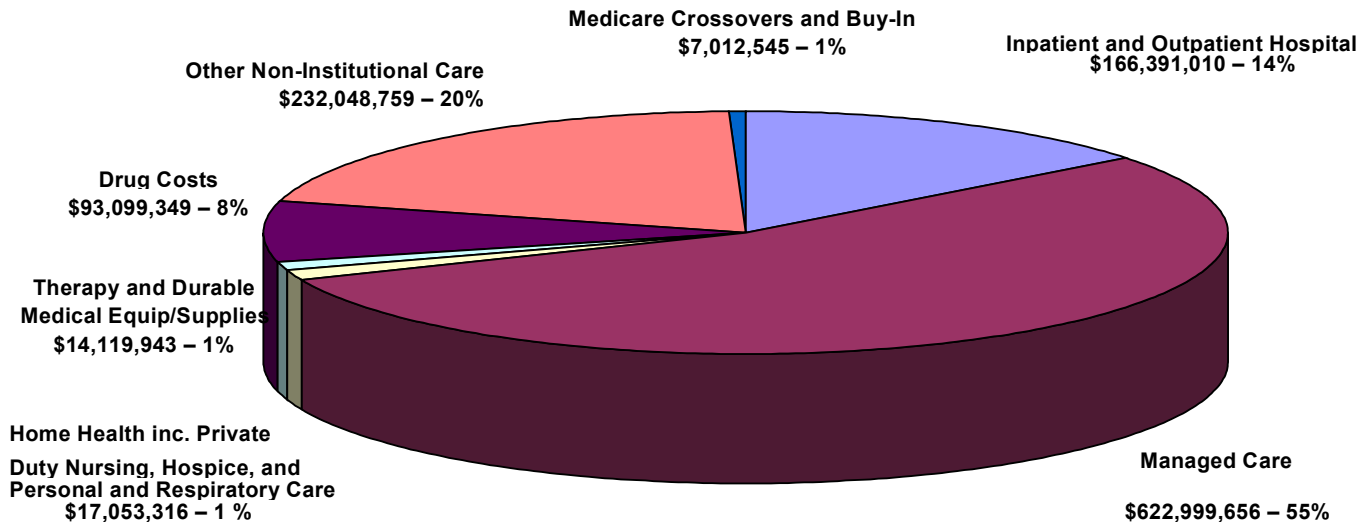
Primary, Acute and Long-Term Community Care for the Blind/Disabled by Expenditure Type - SFY 2004



■ Nursing Homes and Centers - \$337,006,105	■ Managed Care including Family Care - \$251,360,815
■ LTC Card Services - \$187,035,864	■ Drug Costs - \$373,496,497
■ Primary/Acute Care Card Services - \$214,596,953	■ Inpatient/Outpatient Hospital - \$255,400,139
■ Medicare Crossovers - \$49,111,725	■ Medicare Buy-In - \$37,925,758
■ Long-Term Care Waiver Services - \$292,827,295	



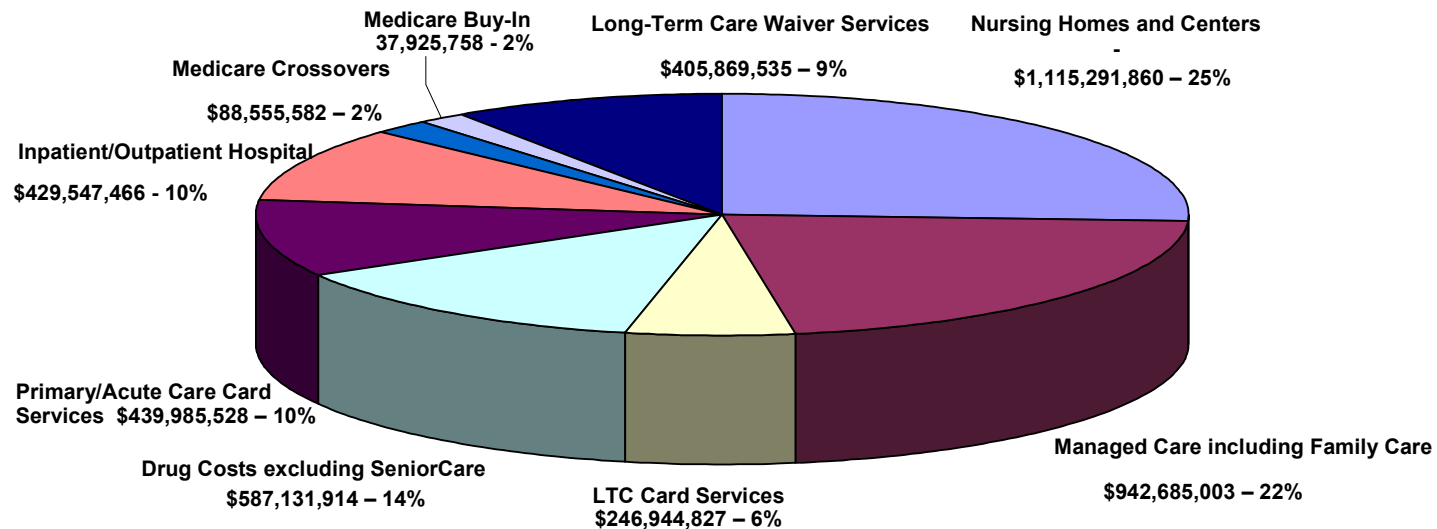
Primary and Acute Care for Low-Income Families and Other Recipients by Expenditure Type - SFY 2004



- Inpatient and Outpatient Hospital - \$166,391,010
- Managed Care - \$622,999,656
- Home Health including Private Duty Nursing, Hospice, and Personal and Respiratory Care - \$17,053,316
- Therapy and Durable Medical Equipment and Supplies - \$14,119,943
- Drug Costs - \$93,099,349
- Other Non-Institutional Care - \$232,048,759
- Medicare Crossovers and Buy-In - \$7,012,545



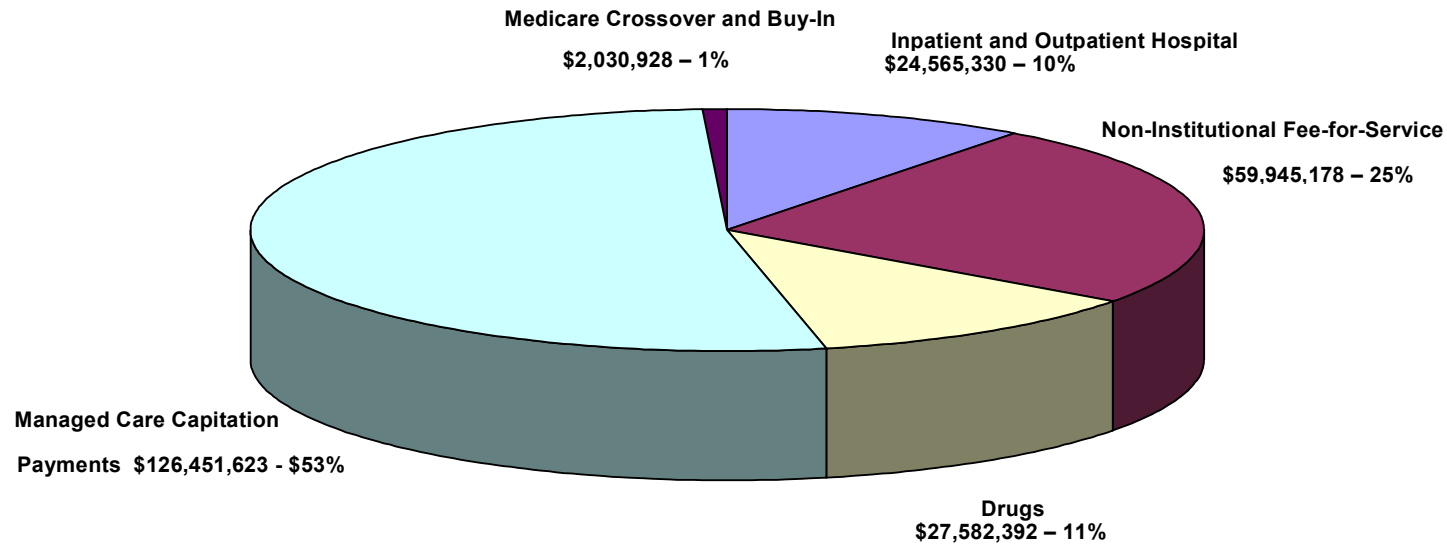
Primary, Acute and Long-Term Community Care for All Recipients by Expenditure Type - SFY 2004



■ Nursing Homes and Centers - \$1,115,291,860	■ Managed Care including Family Care - \$942,685,003
■ LTC Card Services - \$246,944,827	■ Drug Costs excluding SeniorCare - \$587,131,914
■ Primary/Acute Care Card Services - \$439,985,528	■ Inpatient/Outpatient Hospital - \$429,547,466
■ Medicare Crossovers - \$88,555,582	■ Medicare Buy-In - \$75,851,515
■ Long-Term Care Waiver Services - \$405,869,535	



BadgerCare Expenditures by Type – SFY 2004



■ Inpatient and Outpatient Hospital - \$24,565,330

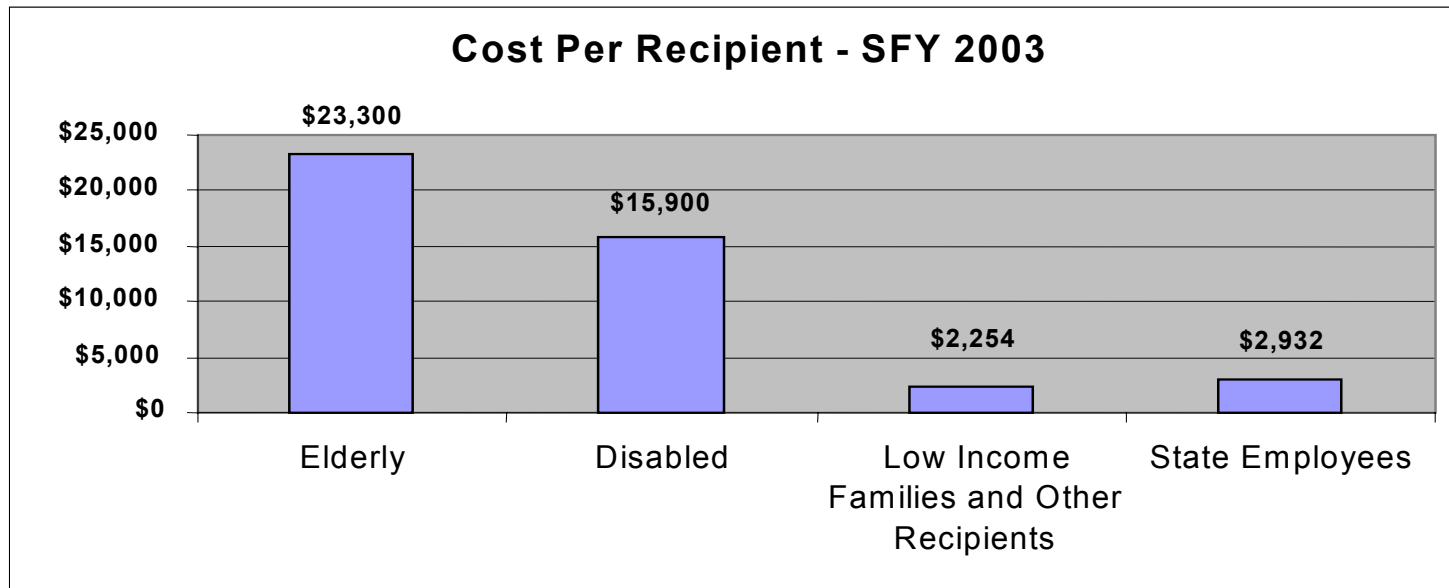
■ Non-Institutional Fee-for-Service - \$59,945,178

■ Drugs - \$27,582,392

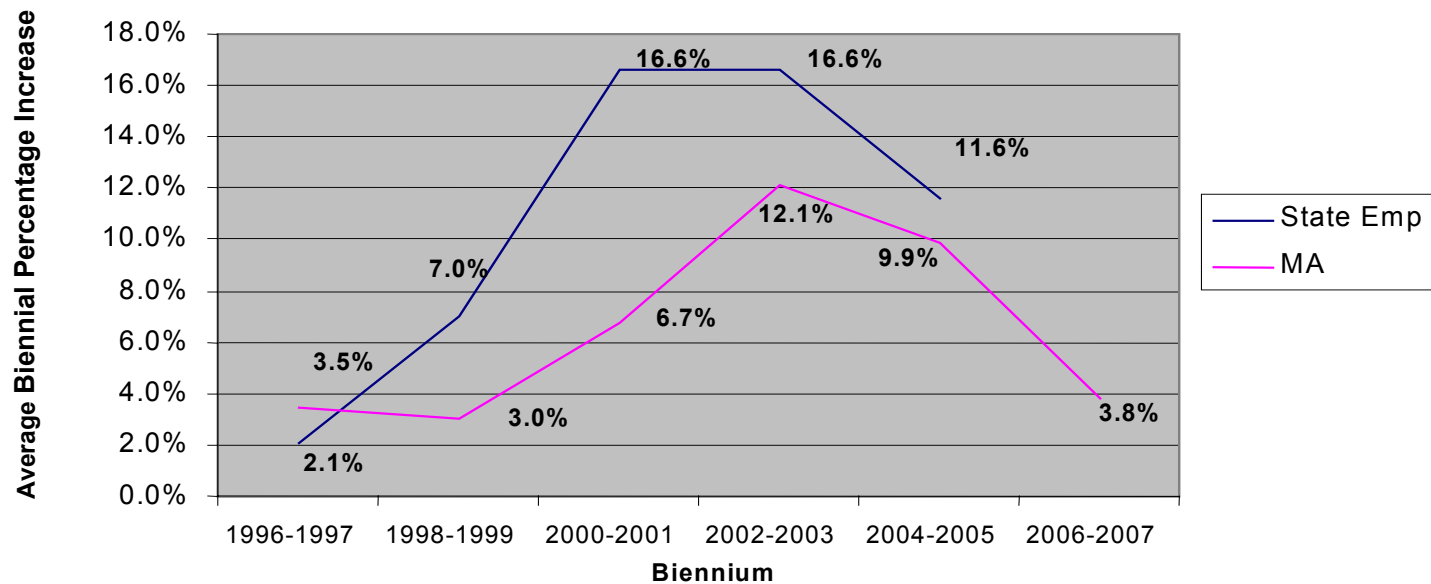
■ Managed Care Capitation Payments - \$126,451,623

■ Medicare Crossover and Buy-In - \$2,030,928

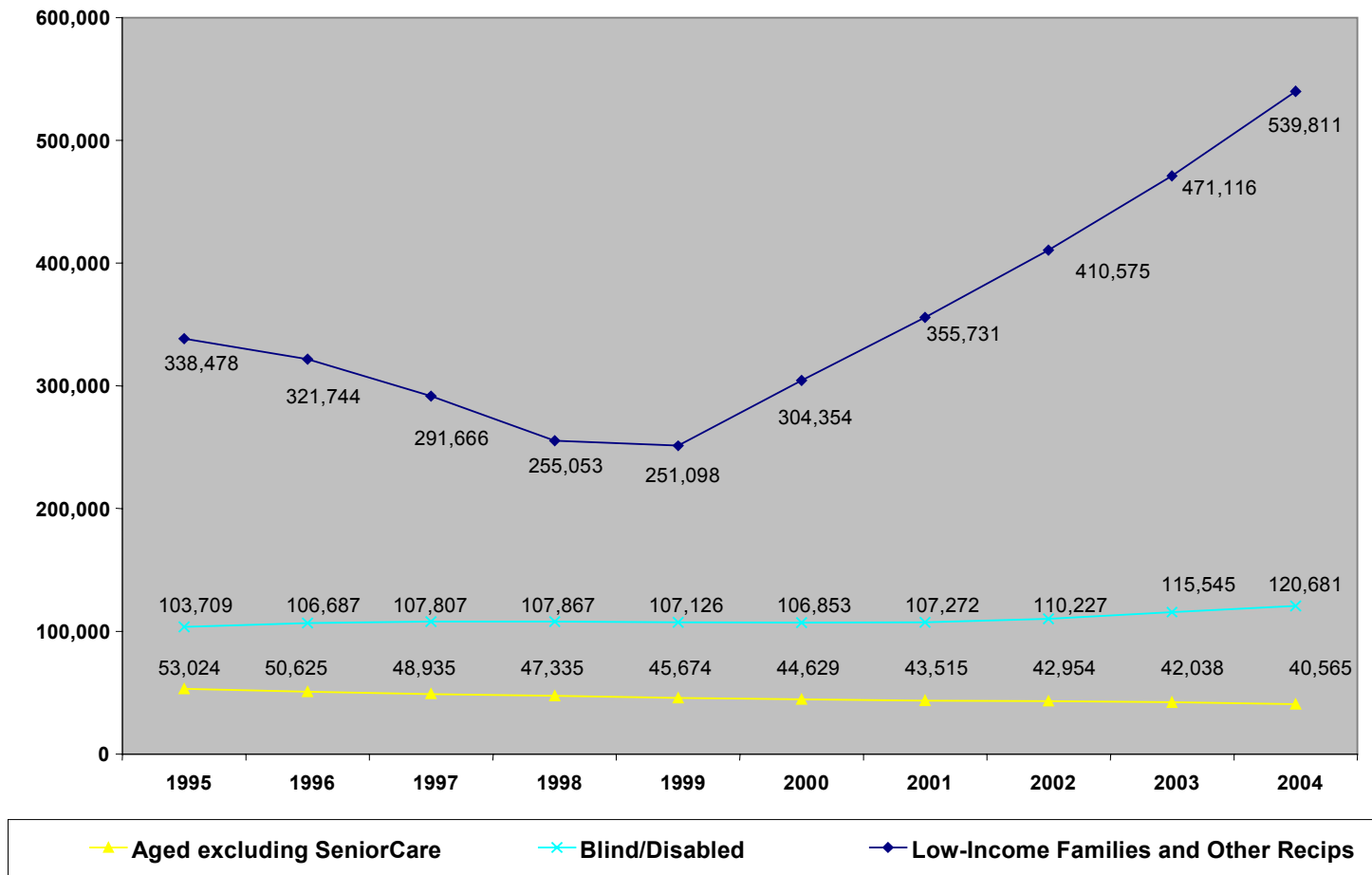




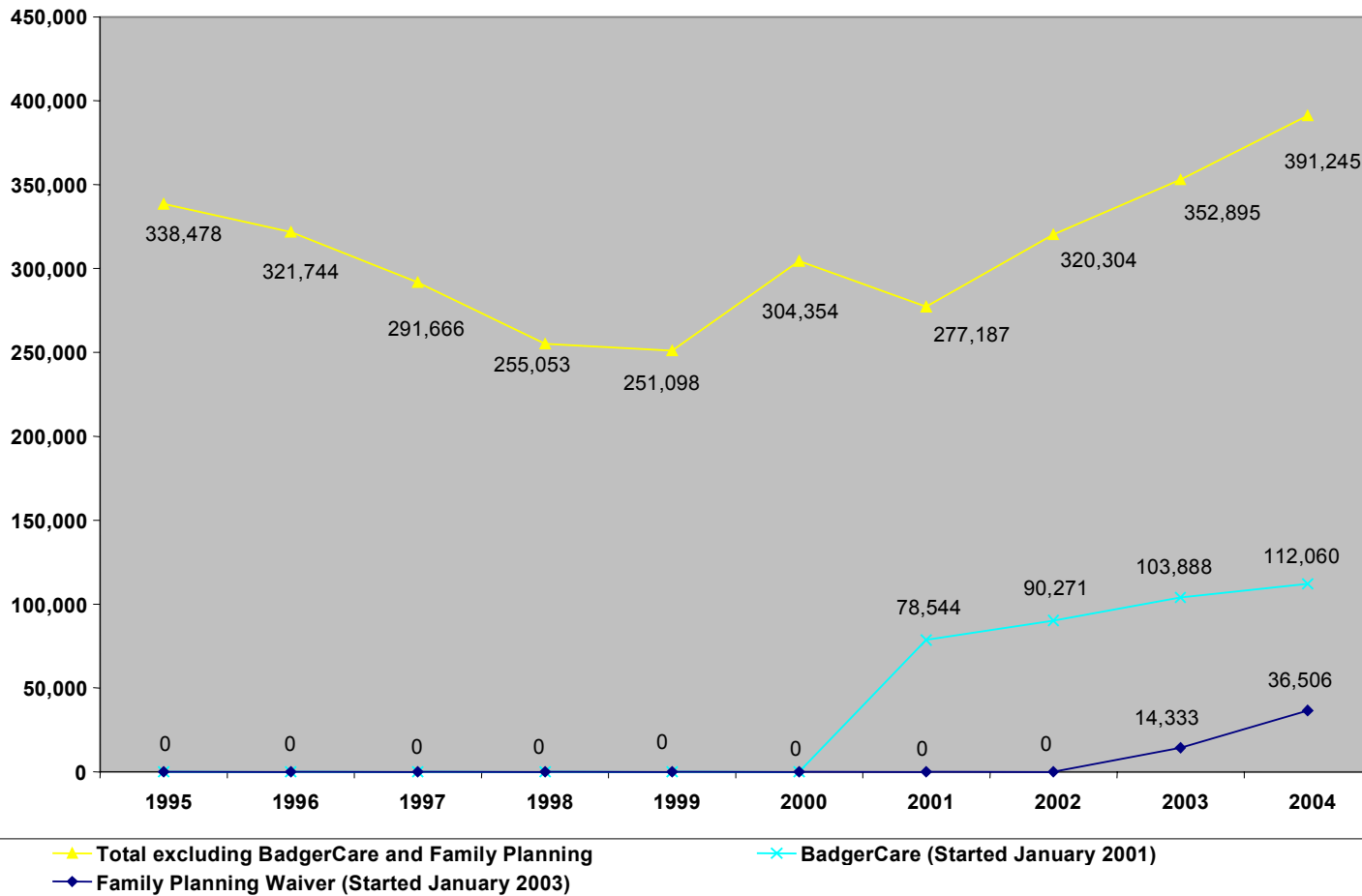
Annual Increase in Total Spending: State Employees and Medicaid



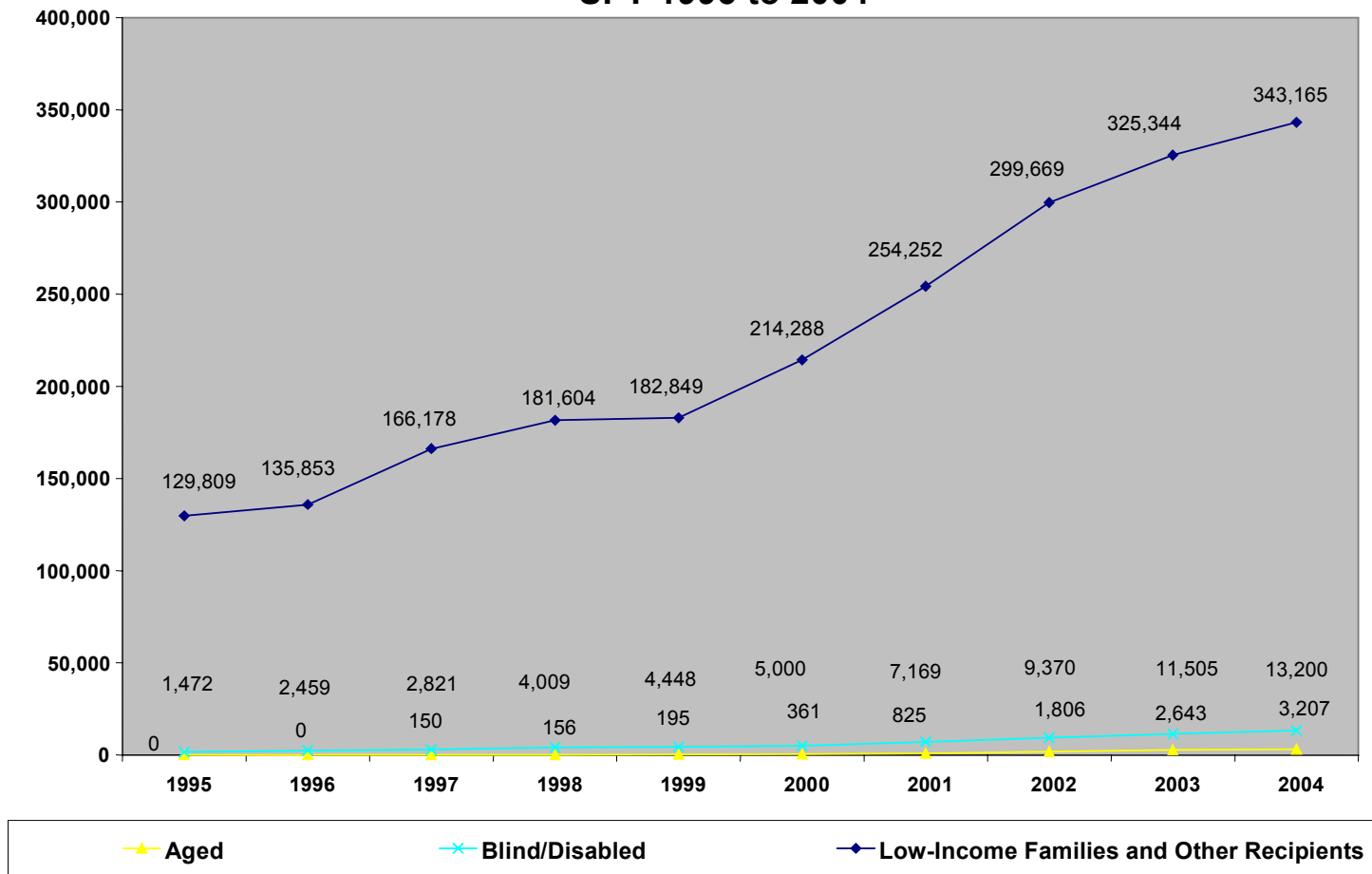
Average Monthly Eligibles by Type - SFY 1995 to 2004



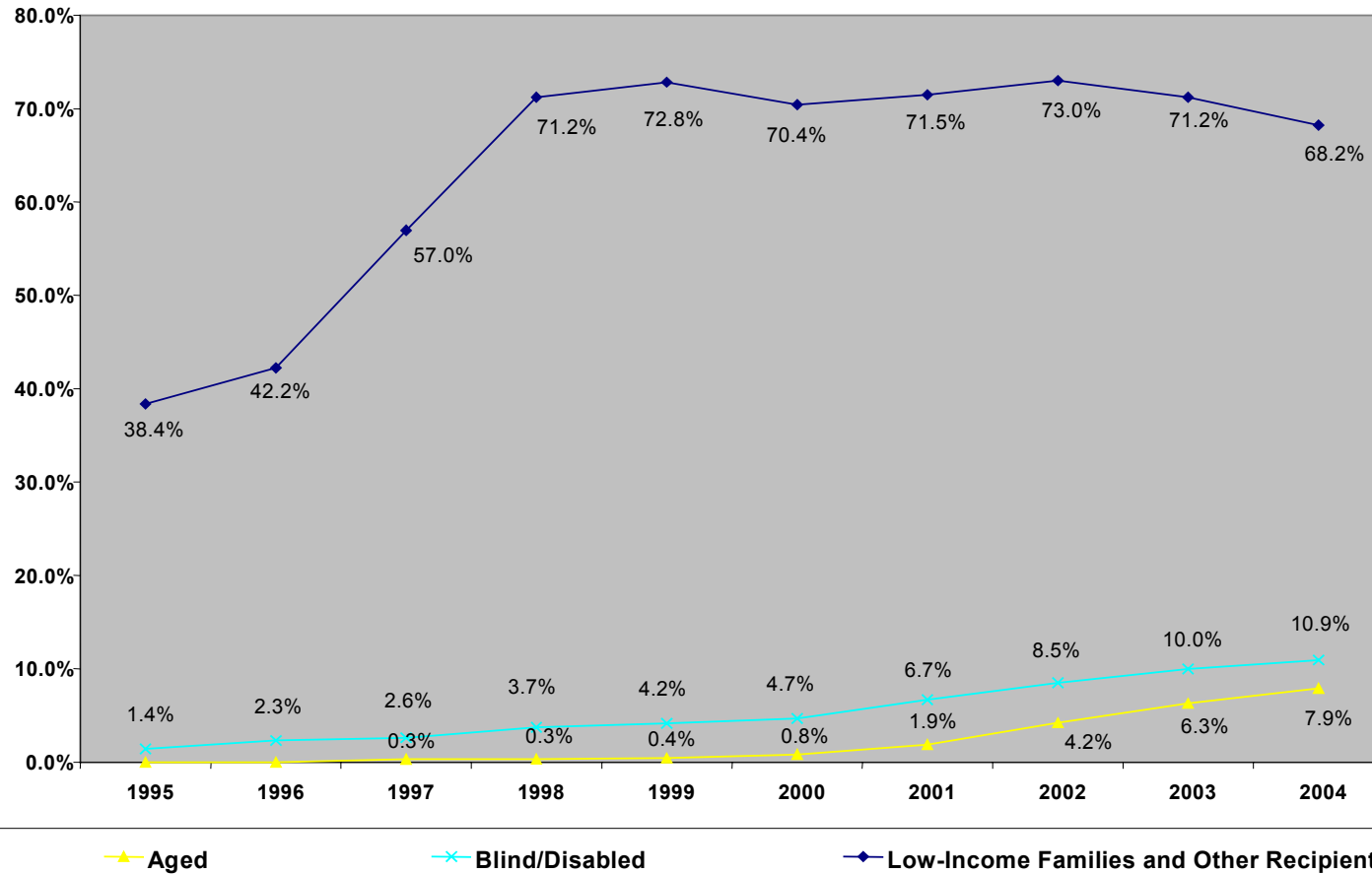
Low-Income Families and Other Eligibles Average Monthly Enrollment SFY 1995 to 2004



Average Monthly Managed Care Enrollment by Type SFY 1995 to 2004



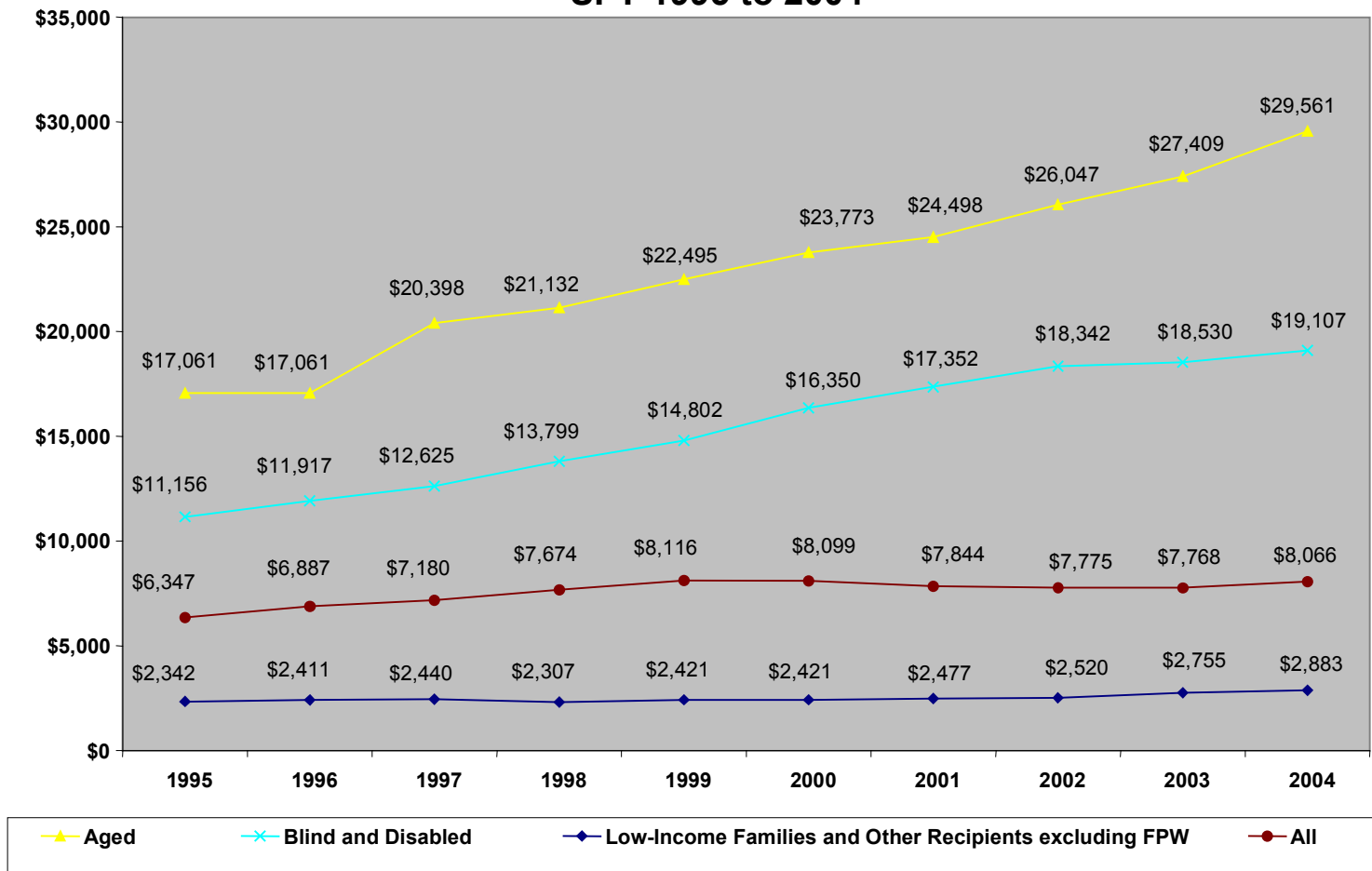
Percentage of Eligibles Enrolled in Managed Care by Type – SFY 1995 to 2004



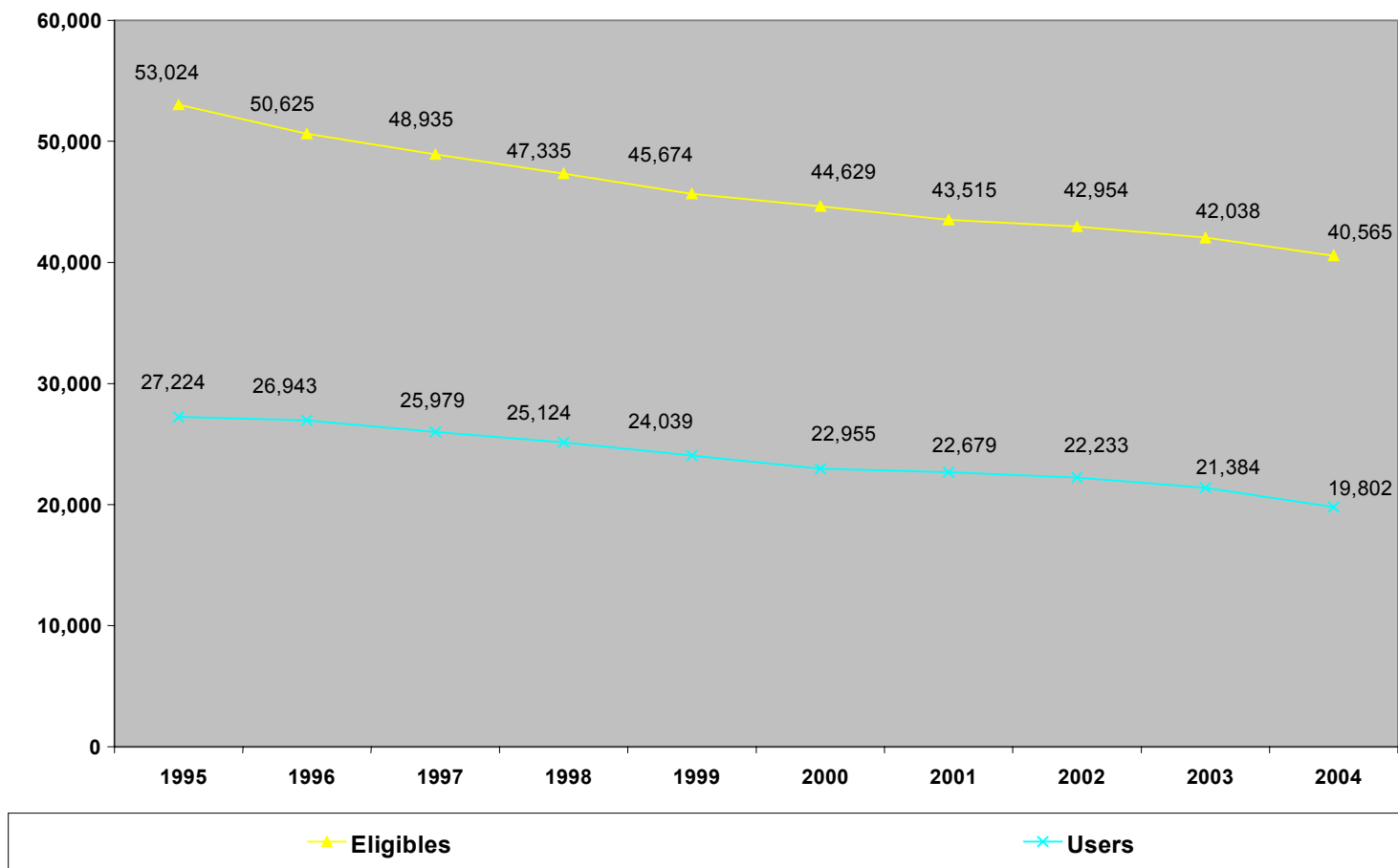
*Excludes Family Planning Waiver and Well Woman Eligibles from the Denominator



Annual Expenditure per User of All Medicaid Services by Type - SFY 1995 to 2004



Utilization of Nursing Home Services by the Aged Annual Unduplicated Eligibles vs. Users - SFY 1995 to 2004



BadgerCare

Purpose

- BadgerCare seeks to eliminate barriers to successful employment by providing a transition for families from welfare to private insurance.
- BadgerCare is based on the premise that health care is essential for working families with children



BadgerCare

Basic Provisions

- Family income at or below 185% of the federal poverty level (FPL)
- Remain eligible until their income exceeds 200% FPL.
- No asset test is required to enroll in BadgerCare
- Income at or above 150% FPL currently pay a premium equal to 5% of their income.



BadgerCare

Enrollment

- BadgerCare has increased enrollment of children in Medicaid by 100,000.
- Many BadgerCare families are mixed - younger children are in Medicaid and older siblings and parents are in BadgerCare.



BadgerCare

Enrollment

- 39% of current BadgerCare enrollees were in Medicaid at any point in the last 4 years.
- Nearly 60% of Milwaukee County's BadgerCare caseload was formerly on Medicaid.
- 32% of the BadgerCare caseload in the rest of the state was formerly on Medicaid.



BadgerCare

Enrollment

- BadgerCare and Medicaid provide health care coverage to virtually all low-income children in the state.
- Wisconsin is now among the leading states in the nation in terms of health care coverage for its residents.



BadgerCare

Funding

- All BadgerCare children get enhanced federal matching funds at 71%
- Parents with income above 100% FPL get enhanced federal matching funds at 71%.
- Parents with income at or below 100% FPL are funded with a regular matching rate of 59%.
- The blended rate for all BadgerCare enrollees is 68.5%.



BadgerCare

Funding

- Since federal fiscal year (FFY) 2001, Wisconsin has received over \$143 million in reallocated federal SCHIP funds.



SeniorCare

Purpose

- The SeniorCare program provides prescription drug coverage for low-income Wisconsin seniors who are at least 65 years of age and who are not enrolled in Medicaid.
- By providing coverage for prescription drugs, SeniorCare fills a critical gap in primary health care coverage for Wisconsin seniors.
- Income. Annual household income is used to determine a person's cost-sharing requirements.



SeniorCare

Overview

- Income. Annual household income is used to determine a person's cost-sharing requirements.
- Assets. There is no asset test.
- Cost Sharing. Each participant must pay a \$30 annual enrollment fee. A spend down is required for eligibility level 3; deductibles are required for levels 2a, 2b, & 3; copayments are required for all eligibility levels.



SeniorCare

Overview

- Application Process. A simple, one-page application is used to apply.
- Benefit Period. All participants are eligible for SeniorCare for 12 months.



SeniorCare

Overview

- Drugs Covered. SeniorCare covers medically necessary prescription drugs produced by manufacturers that enter into rebate agreements with the state or, if under the Medicaid waiver, the federal government. Over-the-counter drugs other than insulin are not covered.
- Pharmacy Providers. All Wisconsin Medicaid-certified pharmacies, approximately 1,300 throughout the entire state, participate in SeniorCare.



SeniorCare

SFY 2004 Expenditures

GPR	\$ 38,210,980
PR (rebates)	\$ 31,178,108
FED	\$ 41,548,193
Participant	\$ 55,194,748
 TOTAL	 \$166,132,029



SeniorCare

Recent Enrollment Demographics

Gender

Female	66,038
Male	22,398

Age Group

65 to 74	27,879
75 to 84	40,270
85+	20,287



SeniorCare

2004 SeniorCare Income Limits

Group Size	Level 1 Income at or below 160% FPL	Level 2a Income between 160% - 200% FPL	Level 2b Income between 200% - 240% FPL	Level 3 Income more than 240% FPL
Individual	\$14,896	\$14,897 - \$18,620	\$18,621 - \$22,344	\$22,345 +
Couple	\$19,984	\$19,985 - \$24,980	\$24,981 - \$29,976	\$29,977 +



SeniorCare

Income Limits*	Annual Out-of-Pocket Expense Requirements and Benefits
Level 1 At or below \$14,896 per individual or \$19,984 per couple annually.*	<ul style="list-style-type: none"> • No deductible or spend down. • \$5 co-pay for each covered generic prescription drug. • \$15 co-pay for each covered brand name prescription drug.
Level 2a \$14,897 to \$18,620 per individual and \$19,985 to \$24,980 per couple annually.*	<ul style="list-style-type: none"> • \$500 deductible per person. • Pay the SeniorCare rate for drugs until the \$500 deductible is met. • After \$500 deductible is met, pay a \$5 co-pay for each covered generic prescription drug and a \$15 co-pay for each covered brand name prescription drug.

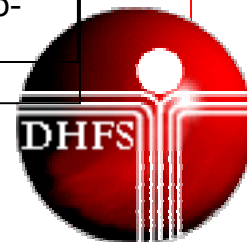
*These income amounts are based on the 2004 federal poverty guidelines, which increase by a small percentage each year.



SeniorCare

Income Limits*	Annual Out-of-Pocket Expense Requirements and Benefits
Level 2b \$18,621 to \$22,344 per individual and \$24,981 to \$29,976 per couple annually	<ul style="list-style-type: none"> • \$850 deductible per person. • Pay the SeniorCare rate for most covered drugs until the \$850 deductible is met. • After \$850 deductible is met, pay a \$5 co-pay for each covered generic prescription drug and a \$15 co-pay for each covered brand name prescription drug.
Level 3 \$22,345 or higher per individual and \$29,977 or higher per couple annually.*	<ul style="list-style-type: none"> • Pay retail price for drugs equal to the difference between your income and \$22,345 per individual or \$29,977 per couple. This is called “spenddown.” • Covered drug costs for spenddown will be tracked automatically. During the spenddown, there is no discount on drug costs. • After spenddown is met, meet an \$850 deductible per person. • Pay SeniorCare rate for most covered drugs until the \$850 deductible is met. • After the \$850 deductible is met, pay a \$5 co-pay for each covered generic prescription drug and a \$15 co-pay for each covered brand name prescription drug.

*These income amounts are based on the 2004 federal poverty guidelines, which increase by a small percentage each year.



Impact of Medicaid on Wisconsin's Economy

Total Economic Multiplier

\$1 State Medicaid Spending = \$3 in Business Activity

- \$1.40 of federal matching funds
- \$.60 in indirect economic effect



Impact of Medicaid on Wisconsin's Economy

- An investment in Medicaid generates an almost three-fold return in state economic benefit.
 - Every \$1.00 spent in Medicaid generates \$1.40 in federal funds.
 - Every \$1.00 spent in BadgerCare generates even more, \$1.97 in federal funds.
- Medicaid spending in Wisconsin directly supports over 60,000 jobs that generate \$2.7 billion in total wages and salaries.
- Medicaid, BadgerCare, and SeniorCare provide over \$4.2 billion to Wisconsin's health care sector.



Impact of Medicaid on Wisconsin's Economy

- The nursing home industry receives \$1.1 billion in Medicaid, helping to employ over 40,000 employees.
- Hospitals receive over \$400 million in Medicaid payments, accounting for 8% of their revenues.
- Community health centers and other safety net providers receive more than \$440 million in Medicaid revenue.
- Physicians and Clinics receive more than \$84 million in Medicaid revenue.
- HMOs receive over \$619 million in Medicaid revenue.



Impact of Medicaid on Wisconsin's Economy

For every \$1 million cut in State Medicaid spending, Wisconsin would lose:

- \$2.8 million in business activity,
- 33 jobs, and
- over \$1 million in total wages.



Medicaid Eligibility

Mandatory Group

- Low income families with children
- Supplemental Security Income (SSI) recipients
- Infants born to Medicaid-eligible pregnant women
- Children under age 6 and pregnant women with income \leq 133% FPL
- Children under age 19 in families with incomes \leq 100% FPL
- Recipients of adoption assistance and foster care under Title IV-E
- Certain low-income Medicaid beneficiaries
- Special protected groups who may keep Medicaid for a period of time

Optional Groups

- Infants up to age one and pregnant women with income \leq 184% FPL
- Optional targeted low income children
- Certain aged, blind, or disabled adults with income \leq 100% FPL
- Institutionalized individuals with low income and resources
- Persons enrolled in home and community-based services waivers
- State supplementary payments (SSP) recipients
- TB-infected persons
- Certain women diagnosed with breast or cervical cancer
- Medically needy persons
- Certain working disabled persons
- Family Planning Waiver recipients



Medicaid Benefits

Mandatory Services

- Inpatient/outpatient hospital services
- Physician services
- Medical and surgical dental services
- Nursing facility services for individuals aged 21 or older
- Home health care
- Family planning services and supplies
- Rural health clinic and federally-qualified health center services
- Laboratory and x-ray services
- Pediatric/family nurse practitioner services
- Nurse midwife services (to the extent authorized under state law)
- Early and periodic screening, diagnosis, and treatment (EPSDT) services for individuals under age 21

Optional Services

- Clinic services
- Nursing facility services for persons under age 21
- Intermediate care facility/mentally retarded services
- Optometrist services and eyeglasses
- Prescribed drugs
- TB-related services for TB infected persons
- Prosthetic devices
- Dental services
- Home and community-based care waiver services (case management, personal care, respite care, adult day health, homemaker, habilitation, other)



Estimated 2003-2005 Medicaid Expenditures

	Mandatory Eligibility	Optional Eligibility	Total
Mandatory Services	66%	5%	71%
Optional Services	23%	5%	29%
Total	90%	10%	100%

